

**FORM 1
INDEMNITY ESTATE PROPERTY RECORD AND REPORT
ASSET CASES**

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Case No: 98-02675-5-ATS Judge: ATS
Case Name: INTERNATIONAL HERITAGE INC.
For Period Ending: 07/14/03

JUL 16 2003
RECORDED & INDEXED
U.S. BANKRUPTCY COURT
EASTERN DISTRICT OF N.C.

Trustee Name: HOLMES P. HARDEN, TRUSTEE
Date Filed (f) or Converted (c): 11/25/98 (f)
341(a) Meeting Date: 12/30/98
Claims Bar Date: 03/30/99

1	2	3	4	5	6
Asset Description (Scheduled and Unscheduled (u) Property)	Petition/ Unscheduled Values	Estimated Net Value (Value Determined by Trustee, Less Liens, Exemptions, and Other Costs)	Property Abandoned OA=554(a) Abandon DA=554(c) Abandon	Sale/Funds Received by the Estate	Asset Fully Administered (FA)/ Gross Value of Remaining Assets
1. Accounts Receivable Funds from Brent Wood's special account. Mr. Wood said funds were from credit card processes and a small liquidation of assets on Wicker Drive.	Unknown	0.00		12,019.61	0.00
2. Funds in Bank Account Centura Bank CD Acct. #0219785949 to close	Unknown	0.00		26,559.96	FA
3. Refunds-Income Tax	Unknown	737.49		737.49	FA
4. Payment on Judgment for Embezzlement	Unknown	6,386.68		6,386.68	FA
5. Refunds-Other	Unknown	7,563.74		7,563.74	FA
6. Golf logo	Unknown	0.00		500.00	FA
7. Merchant Bankcard refunds	Unknown	0.00		955.93	FA
8. Auction Proceeds	Unknown	22,635.00		22,635.00	FA
9. Sale of database list	Unknown	15,000.00		15,000.00	FA
10. Cash Bonds 98CV011169	Unknown	2,500.00		2,500.00	FA
11. Post-Petition Interest Deposits (u)	0.00	280,632.39		314,356.43	0.00
12. Postage Refund Postage Meter refund	Unknown	0.00		7,292.15	FA
13. Executive Risk Settlement	Unknown	1,787,500.00		1,787,500.00	FA
14. SEC Settlement First scheduled payment on settlement	Unknown	0.00		4,250,000.00	FA
15. Preference Payments (u)	Unknown	0.00		477,184.27	0.00
16. Collection (u) Collection of Duke Realty Rent	Unknown	0.00		6,000.00	FA
17. Erie Insurance Settlement	Unknown	0.00		60,000.00	FA

cc: Harden 7/16/03 SB

TOTALS (Excluding Unknown Values)

\$ 0.00

\$ 2,122,955.30

\$ 6,997,191.26

Gross Value of Remaining Assets

\$0.00

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(Total Dollar Amount in Column 6)

Major activities affecting case closing which are not reflected above, and matters pending, date of hearing or sale, and other action:

1/8/99 - Order Authorizing Employment of Accountant, Craig Adams
1/15/99 - Notice of Proposed Sale and Notice of Compensation of Auctioneer
1/22/99 - Order Authorizing Employment of Holmes P. Harden as Attorney
1/28/99 - Order Authorizing Appointment of Attorney Stephani Humrickhouse of Nicholls and Crampton
2/9/99 - Order Authorizing Appointment of Attorney James Roberts of Lewis & Roberts
2/18/99 - Order Authorizing Appointment of Attorney Jean Boyles
2/17/99 - Notice of Proposed Private Sale
3/17/99 - Report of Sale
3/18/99 - Harden v. Executive Risk Insurance
3/30/99 Order Approving Private Sale to Symmetry Group of database for \$9,000.
4/6/99- Order Allowing 2004 Exam of Stanley Van Etten on 4/19/99 at 10:00 am.
4/29/99 Notice of Proposed Public Sale and Compensation of Auctioneer for remaining assets not sold at 1st public auction.
6/11/99 Report of Sale
6/22/99 Application of Trustee for Authority to Enter into Settlement Agreement with SEC. (approved)
6/23/99 Application of Trustee for Authority to Enter into Settlement Agreement with Van Etten (approved)
7/1/99 Harden v. Gilbert - Motion for 11 USC§105 Injunction
10/27/99 New Trustee Bond amount \$2,000,000.00 premium \$2,475.00 paid 10/27/99
9/27/99 Applications for Attorney's first interim fee application. Notice of Application for all attorney's fees filed 9/27/99
10/25/99 Orders entered allowing attorneys 1 interim fees. 10/28/99 Order allowing attorney's first interim fees and 11/1/99 Order entered allowing attorney's first interim fees and expenses.

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Jean Boyles collecting receivables.

Order authorizing settlement of claims against Executive Risk.

Order allowing settlement of Montana Securities Commission litigation 6/14/00.

Acstar has paid in full on settlement amount of \$4.1 million. Stanley VanEtten has paid \$125,000 of the \$150,000 settlement into the bankruptcy estate. Trustee employed Pootman Douglas Corporation to review claims and claims review is underway.

Order authorizing waiver of attorney client privilege 6/7/00.

Hunnickhouse will bring 547 and 548 claims before November 25, 2000. Hunnickhouse filed 90+ complaints.

Janvier is examining potential actions listed on Schedule B, question 20.

Harden vs. TTG Insurance filed 11/9/99 being handled by Lewis & Roberts. Motion to dismiss denied 4/24/00.

Order denying claim of Acstar on appeal to Fourth Circuit.

Motion for approval of compromise and settlement (COECO) filed 2/15/01. Motions to approve compromise and settle adversary proceedings filed 2/15/01. Interim application for Stephani Hunnickhouse, Attorney for Trustee fees and expenses. Order allowing fees and expenses entered March 31, 2001.

Filed several motions to approve compromise and settlements by Nicholls & Crampton.

Acstar order affirmed by the 4th Circuit

Summary Judgment granted in favor of TTG Insurance Company and against Trustee

Seven preference actions unresolved

All but three preference actions have been settled and motions to approve settlements have been filed. Collection against BTL, John Brothers and Brent Wood pending.

10/8/02 Fourth application for interim compensation for services rendered by attorney for trustee sent for filing.

Trustee is almost finished working on objections to claims and will be meeting with computer staff at court for help with the filing of the objections.

2/26/03 Motion for approval of compromise and settlement of Printing Plus, Inc. AP.

The last pending AP is against Brent Wood and Ms. Hunnickhouse and working on a proposal for settlement.

Lewis & Roberts firm is handling the settlement of the claim against Erie Insurance. Order entered allowing Erie Insurance settlement on 3/12/03.

4/15/03 Letter to BTL from Hunnickhouse advising of Trustee's decision not to pursue AP. 4/28/03 letter to John Brothers re settlement proposal sent by Hunnickhouse.

Preference claim against Brent Wood still unresolved.

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Trustee is still reviewing claims and working on objections.

Initial Projected Date of Final Report (TFR): 12/30/01

Current Projected Date of Final Report (TFR): 12/31/03

